

### REMARKS

This responds to the Office Action mailed on May 2, 2006, and the references cited therewith.

Claims 2, 9, 16 and 22 are amended; as a result, claims 1-27 are now pending in this application.

#### §112 Rejection of the Claims

Claims 2, 9, 16 and 22 were rejected under 35 U.S.C. § 112, second paragraph, for indefiniteness. Specifically, the Office Action rejected the aforementioned claims for reciting “completed complaint” for the reason that “it is indefinite as to when and how this step is executed according to the claimed invention.”

Responsive to the rejection, the claims 2, 9, 16 and 22 have been amended to recite “resolved complaint” instead of “completed complaint.” Support for this amendment may be found throughout the specification and more specifically at the operation 826 on Figure 8B and continuing through the operation 872 on Figure 8D.

#### §103 Rejection of the Claims

Claims 1, 4-5, 8, 11-12, 15, 18-19, 21 and 24-25 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the SquareTrade website (as viewed on the WayBack Machine from May 5, 2000; hereinafter SquareTrade) in view of Walker (U.S. 6,415,264; hereinafter Walker).

Applicants respectfully submit that claims 1, 4-5, 8, 11-12, 15, 18-19, 21 and 24-25 should not be rejected under 35 U.S.C. § 103 for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

To establish a **prima facie** case of **obviousness**, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure.

Claim 1 includes the following limitation:

*updating a record associated with the party if the complaint is not resolved, the record indicating a count of failed transactions related to the party.*

The Office Action, in rejecting claim 1, contends that the above limitation is taught or suggested by the following disclosure in Walker:

As shown in FIG. 3, [a tabular representation of a portion of] the seller database 300 has multiple data categories. For example, the seller database 300 may include a name 310 and a credit card number 320 associated with the seller. The credit card number allows the seller to easily receive the posting payment amount and/or proceeds from a sale. The seller database 300 may also include a number of satisfied buyers 330, a number of unsatisfied buyers 340 and a reputation percentage 350.

Walker, Page 6, lines 39-47.

The above quote from Walker describes a tabular representation of a portion of a seller database. The portion of the seller database includes data categories. The data categories include a credit card number that allows the seller to easily receive a posting payment amount, a number of satisfied buyers, a number of unsatisfied buyers, and a reputation percentage.

Claim 1 requires updating a record associated with a party if a complaint is not resolved, the record indicating a count of failed transactions related to the party. In contrast, the above quote from Walker fails to teach or suggest the stated requirements of claim 1 for a number of reasons. First, the above quote from Walker does not describe a count of failed transactions. Rather, the above quote describes a number of satisfied buyers and a number of unsatisfied buyers. Indeed, Walker goes on to provide examples of the number of satisfied buyers and the number of unsatisfied buyers to make clear that the respective numbers refer to completed sales. To be sure, Walker states, “[t]he first seller that is represented in FIG. 3 has completed nineteen sales with only a single unsatisfied buyer...” and “...the second seller has completed eight sales with two unsatisfied buyers...” (Col. 6, lines 48-55). A number of completed sales is not a count of failed transactions, as required by claim 1. Moreover, the above quote from Walker may be said to teach away from a count of failed transactions by providing specific examples of two sellers that have respectively completed nineteen and eight sales. Second, the above quote from

Walker does not describe “updating a record” as required by claim 1, but rather, a tabular representation of a portion of a seller database. Specifically, Walker never describes “updating” the portion of the seller database but merely the portion of the seller database. Third, the above quote from Walker cannot describe updating a record associated with a party if the complaint is not resolved, as required by claim 1, because Walker fails to describe a complaint. Indeed, Applicants have searched Walker and have not been able to find the word “complaint.”

Walker generally describes a determination of a posting payment amount that may be paid to a seller in exchange for the seller posting an item for sale (Walker, Summary of Invention). Specifically, the above quote from Walker describes an example of determining a posting payment amount based on reputation percentages that may further be based on completed sales (Page 6, lines 53-57). In contrast, claim 1 addresses a different problem – failed transactions. An advantage that may be achieved, from use of one example embodiment, is to reduce the number of users failing to complete a transaction by maintaining a record indicating a count of failed transactions related to a user. If the count exceeds a threshold, the user may be suspended from participating in transactions, merely for example (Application, Page 6, lines 12-15).

Walker therefore cannot be said to teach or suggest the above quoted limitation because Walker describes completed sales in the form of a number of satisfied buyers and a number of unsatisfied buyers, a portion of a seller database without describing “updating” the portion of the seller database, and a portion of a seller database without mention of a complaint. In contrast, claim 1 requires updating a record associated with a party if a complaint is not resolved, the record indicating a count of failed transactions related to the party.

The above remarks are also applicable to a consideration of independent claims 8, 15, and 21.

In addition, if an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 4-5, 11-12, 18-19 and 24-25 under 35 U.S.C. § 103 is also addressed by the above remarks.

Claims 2-3, 9-10, 16-17 and 22-23 were rejected under 35 USC § 103(a) as being unpatentable over SquareTrade in view of Walker, as applied to claims 1, 8, 15 and 21 above,

and further in view of the article "UAUTOBID.com, Inc., Introduces the Capability to Purchase Specific Vehicles Online" (hereinafter UAUTOBID).

Claims 2-3 depend on independent claim 1. Claims 9-10 depend on independent claim 8. Claims 16-17 depend on independent claim 15. Claims 22-23 depend on independent claim 21. If an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 2-3, 9-10, 16-17 and 22-23 under 35 U.S.C. § 103 is also addressed by the above remarks.

Claims 6, 13, 20 and 26 were rejected under 35 USC § 103(a) as being unpatentable over SquareTrade in view of Walker as applied to claims 1, 8, 15 and 21 above, and further in view of Esposito (U.S. 6,587,838; hereinafter Esposito).

Claim 6 depends on independent claim 1. Claim 13 depends on independent claim 8. Claim 20 depends on independent claim 15. Claim 26 depends on independent claim 21. If an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 6, 13, 20 and 26 under 35 U.S.C. § 103 is also addressed by the above remarks.

In summary, Walker in combination with SquareTrade in combination with UAUTOBID in combination with Esposito does not teach or suggest each and every limitation of the independent claims 1, 8, 15, and 21 as required to support rejections of the independent claims of the present application under 35 U.S.C. § 103.

In summary, Applicants believe that all rejections presented in the Office Action have been fully addressed and withdrawal of these rejections is respectfully requested.

CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4046 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

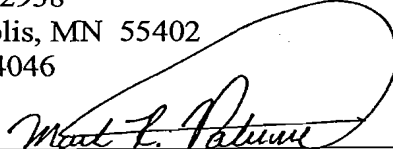
Respectfully submitted,

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Signature